

**LEGISLATIVE RESEARCH COMMISSION (LRC)
ENERGY POLICY ISSUES**

COMMITTEE MEETING

February 15, 2012

Presentation - Verbatim

**Amy Bason, Legislative Counsel, North Carolina Association of
County Commissioners.**

Thank you very much Mr. Chair, it's great to see the committee members today. We very much appreciate the opportunity to speak with you. I will be brief, and just to follow-up on Daniel's comments, we are working very collaboratively with the League and other groups to determine what the issues are with regard to local government and hydraulic fracturing and natural gas exploration. You have a very comprehensive agenda here today and you heard a variety of experts talk about the science of fracking as well the potential economic and environmental impacts.

I am here to provide you with just a brief overview of what we are hearing about the county perspective and, as you know, as an association, we represent all 100 counties in North Carolina and just as I know you are hearing from your constituents, there are a broad range of views on this issue across the state. The only specific legislative goal that the Association of County Commissioners has with regard to this issue is that a study be pursued. That was done prior to the Long session and we are encouraged that this is in fact happening and we are participating in any way that we can to offer assistance with the DENR study. I just want to point out, as counties, just like the legislature, we represent all people in North Carolina, so this is very much an issue that impacts us in the same way and we encourage working with us and we hope this will be a partnership in figuring out how to best move forward.

As I think I implied or perhaps already stated, there is no formal position on fracking at this point at the Association as I think Daniel also indicated from the League of Municipalities and we are very much in the research and information gathering phase of this process. What we have done thus far we have convened conference calls with the counties that are directly impacted and we are also scheduled to attend a legislative conference in March in which we are going to meet with the Pennsylvania Association to talk directly with them about the impact they have seen in Pennsylvania.

Now with that background, I would just like to provide you briefly with a list of some of the issues that we are hearing from the counties as a result of some of these conference calls and meetings that we have convened just so you will have these in your list to work through as these topics are being discussed. Obviously, in these economic times, the potential for jobs and economic growth is extremely important to local governments as it is to the State. There is also recognition on the county level that with any new population growth as may come with the fracking industry coming to North Carolina, there are increased demands potentially on county

services. And, just to highlight some of the potential increase on demand on services, some of the things that have been discussed by counties are emergency management services, such as specialized disaster response training and equipment that perhaps isn't employed currently. Potential increased demand on Register of Deeds and Tax Administrators for issues we just heard about recording mineral rights and other issues with regard to valuation of property when you have split-surface vs. sub-surface rights. Potential increases on school populations and social services clients. Again, I say potential because it is unknown the types of individuals that will come in and that may not take place but these are just things we ask you to consider, and GIS and mapping issues. So we just ask that, as this moves forward, there is a look at recovery of costs for any potential increase in services that may arise. As you heard from Jordan's presentation, we are also hearing some from our county commissioners about just making sure the proper safeguards are in place for property owners in terms of recognition of surface vs. sub-surface rights and what in fact they are entitled to with regard to these issues. Of course, I am not going to reiterate, you have heard about potential environmental impacts with regard to water, wastewater, in addition to water that is used for the fracking itself and potential air quality issues.

So, again, I just bring these to your attention as these are the things we are hearing from our constituencies and while it is not an exhaustive list, we just want to let you know what we have heard from counties, but we want to reiterate that the counties welcome the opportunity to work with you and we appreciate your willingness to listen to us today. We will provide you with any contacts or information from specific elected officials or staff members in counties as they can be helpful in moving forward with this process.

There were no questions for Ms. Bason.

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